

House Resolution 197

By: Representative Smith of the 113th

A RESOLUTION

1 Creating the House Study Committee on Public Retirement Fund Investment in Venture
2 Capital; and for other purposes.

3 WHEREAS, the General Assembly is concerned with stimulating continued economic
4 development in Georgia; and

5 WHEREAS, authorizing the investment of state pension funds into venture capital provides
6 the opportunity to enhance economic development in Georgia by creating access to more
7 investment dollars nationally as well as in Georgia; and

8 WHEREAS, Georgia pension funds are conservatively managed and are currently prohibited
9 from investing in private equities; and

10 WHEREAS, investing in private equities provides the possibility of enhancing the pension
11 fund's performance, reducing the state's obligation of payment into the fund, and fostering
12 economic development in the state; and

13 WHEREAS, current limitations on investments in private equities in Georgia hinder the
14 ability of Georgia based venture funds to attract investment dollars, thus reducing the amount
15 of venture capital resident in Georgia and putting Georgia at a disadvantage vis-a-vis other
16 states in terms of supplying private equity capital to Georgia based businesses and creating
17 employment.

18 NOW, THEREFORE, BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES that
19 there is created the House Study Committee on Public Retirement Fund Investment in
20 Venture Capital to be composed of 9 members as follows: four members of the House of
21 Representatives to be appointed by the Speaker of the House of Representatives; two
22 members appointed by the Governor; the director of the Office of Planning and Budget; the
23 director of the Office of Treasury and Fiscal Services; and the state auditor. The Governor

1 shall designate a member of the committee as chairperson of the committee. The chairperson
2 shall call all meetings of the committee.

3 BE IT FURTHER RESOLVED that the committee shall undertake a study of the conditions,
4 needs, issues, and problems mentioned above or related thereto. The committee may conduct
5 such meetings at such places and at such times as it may deem necessary or convenient to
6 enable it to exercise fully and effectively its powers, perform its duties, and accomplish the
7 objectives and purposes of this resolution. The legislative members of the committee shall
8 receive the allowances authorized for legislative members of interim legislative committees
9 but shall receive the same for not more than five days unless additional days are authorized.
10 The public employees on the committee shall receive no compensation from legislative funds
11 but may be reimbursed for expenses by their employers. The funds necessary to carry out the
12 provisions of this resolution shall come from the funds appropriated to the House of
13 Representatives. The committee shall make a report of its findings and recommendations,
14 with suggestions for proposed legislation, if any, on or before December 1, 2005, on which
15 date the committee shall stand abolished.